



Committee On Finance

Max Baucus, Ranking Member

NEWS RELEASE

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Baucus and McCain Urge Administration to Raise Visibility of Middle East Trade Preference Program

(WASHINGTON, D.C.) U.S. Senators Max Baucus and John McCain today sent the following letter to Secretary of State Colin L. Powell and United States Trade Representative Robert B. Zoellick urging discussions on a Middle East trade preference program during the meeting at the World Economic Forum in Jordan this weekend.

June 18, 2003

The Honorable Colin L. Powell
Secretary of State
United States Department of State
2201 C Street, NW
Washington, DC 20520

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Secretary Powell and Ambassador Zoellick:

We understand that you are both planning to attend the Annual Meeting of the World Economic Forum in Jordan this upcoming weekend. A central topic of discussion at the Annual Meeting will be trade and economic development in the Middle East. We urge you to include in your discussions on this topic the idea of the offering a trade preference program to the countries of the Middle East.

We support the President's initiative to create a free trade area for the United States and the countries of the Middle East by the year 2013, but we believe the United States can do more for those countries in the short term. That is why we have introduced the Middle East Trade and Engagement Act of 2003. This bill would create a trade preference program under which Middle Eastern countries that meet certain conditions, such as having a market-based economy and supporting the war on terrorism, would be permitted to export certain goods to the United States tariff free.

This approach would help stimulate Middle Eastern economies, create jobs, and encourage those countries to undertake economic and political reforms. The bill is modelled primarily on the Africa Growth and Opportunity Act ("AGOA"), a trade preference program that has advanced these objectives in sub-Saharan African countries. USTR's recent annual report on AGOA states that AGOA "continues to foster new trading opportunities and investment, create new jobs, and promote

economic development.” The report also states that AGOA “supports the efforts of those sub-Saharan African countries undertaking difficult economic, political, and social reforms and provides an incentive for countries considering such reforms.”

We believe that a trade preference program for the Middle East can be as successful for the countries in the Middle East as AGOA has been for the countries in sub-Saharan Africa. As you meet with your counterparts from the Middle East and countries around the world, we hope that you will discuss this important idea.

Sincerely,

Max Baucus

John McCain